
State:	District of Columbia	Filing Company:	Fireman's Fund Insurance Company
TOI/Sub-TOI:	09.0 Inland Marine/09.0005 Other Commercial Inland Marine		
Product Name:	Preferred Club Program - Commercial Inland Marine		
Project Name/Number:	Preferred Club/NDCCM0318R		

Filing at a Glance

Company:	Fireman's Fund Insurance Company
Product Name:	Preferred Club Program - Commercial Inland Marine
State:	District of Columbia
TOI:	09.0 Inland Marine
Sub-TOI:	09.0005 Other Commercial Inland Marine
Filing Type:	Rate/Rule
Date Submitted:	05/04/2018
SERFF Tr Num:	MRTN-131481022
SERFF Status:	Submitted to State
State Tr Num:	
State Status:	
Co Tr Num:	NDCCM0318R
Effective Date	On Approval
Requested (New):	
Effective Date	
Requested (Renewal):	
Author(s):	Brian Thomas, Patricia Pollard, Saygan Robinson, Lorna Williams, Diane Zaborowski
Reviewer(s):	
Disposition Date:	
Disposition Status:	
Effective Date (New):	
Effective Date (Renewal):	

State: District of Columbia **Filing Company:** Fireman's Fund Insurance Company
TOI/Sub-TOI: 09.0 Inland Marine/09.0005 Other Commercial Inland Marine
Product Name: Preferred Club Program - Commercial Inland Marine
Project Name/Number: Preferred Club/NDCCM0318R

General Information

Project Name: Preferred Club Status of Filing in Domicile:
Project Number: NDCCM0318R Domicile Status Comments:
Reference Organization: Insurance Services Office, Inc. Reference Number: All ISO Commercial Inland Marine Rating Plans, Rules, Loss Costs and Forms in effect
Reference Title: Advisory Org. Circular:
Filing Status Changed: 05/04/2018
State Status Changed: Deemer Date:
Created By: Lorna Williams Submitted By: Lorna Williams
Corresponding Filing Tracking Number: NDCCM0318F

Filing Description:

Attached for your review is a Filing Authorization Letter from Fireman's Fund Insurance Company (hereinafter referred to as the Company) authorizing Martin & Company to submit this filing on their behalf. Please direct all correspondence regarding this filing to Martin & Company.

The Company is submitting their new program filing for Commercial Inland Marine coverage for their Preferred Club Program on a countrywide basis. This program will use the current ISO forms for Commercial Inland Marine in conjunction with the attached proprietary forms. In addition, the company will use previously filed and approved Allianz materials in effect, including Terrorism forms and disclosure notices.

The program will also use current ISO rules, rating plans and loss costs in conjunction with their Loss Cost Multiplier and state exception pages.

This filing is being submitted on a monoline basis, but may also be used as part of a package.

The company proposes an effective date upon your acknowledgement or approval of this filing.

Company and Contact

Filing Contact Information

Patricia Pollard, Compliance and State Filings Supervisor
P.O. Box 70 302-384-6280 [Phone]
Edgemont, PA 19028

Filing Company Information

(This filing was made by a third party - martinandcompany)

Fireman's Fund Insurance Company	CoCode: 21873	State of Domicile: California
225 W. Washington Street	Group Code: 761	Company Type: P&C
Suite 1800	Group Name: Allianz Insurance	State ID Number:
Chicago, IL 60606	Group	
(888) 466-7883 ext. [Phone]	FEIN Number: 94-1610280	

SERFF Tracking #:	MRTN-131481022	State Tracking #:		Company Tracking #:	NDCCM0318R
State:	District of Columbia	Filing Company:	Fireman's Fund Insurance Company		
TOI/Sub-TOI:	09.0 Inland Marine/09.0005 Other Commercial Inland Marine				
Product Name:	Preferred Club Program - Commercial Inland Marine				
Project Name/Number:	Preferred Club/NDCCM0318R				

Rate Information

Rate data applies to filing.

Filing Method:	Use & File
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	0.000%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	N/A- New Program
SERFF Tracking Number of Last Filing:	

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Fireman's Fund Insurance Company	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

State:	District of Columbia	Filing Company:	Fireman's Fund Insurance Company
TOI/Sub-TOI:	09.0 Inland Marine/09.0005 Other Commercial Inland Marine		
Product Name:	Preferred Club Program - Commercial Inland Marine		
Project Name/Number:	Preferred Club/NDCCM0318R		

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Countrywide Exception Pages	CW-CIM-1 to CW-CIM-4 (03 18)	New		Commercial Inland Marie Exception Pages - CW-CIM-1 to -4 (002).pdf
2		Loss Cost Multiplier and Expected Loss Ratio	MUC-LCM-ELR-1 Ed. 03 18	New		Inland Marine LCM and ELR - MUC-LCM-ELR-1.pdf

**COMMERCIAL LINES MANUAL
DIVISION EIGHT – INLAND MARINE
PREFERRED CLUB
COUNTRYWIDE EXCEPTION PAGES**

SECTION I - GENERAL RULES

9. POLICY WRITING MINIMUM PREMIUM

The following items are hereby replaced:

A. Prepaid Policies

1. The policy writing minimum premium is: \$100

B. Annual Premium Payment Plan Policies or Continuous Policies

1. The policy writing minimum premium is: \$100

10. ADDITIONAL PREMIUM CHANGES

The following item is hereby replaced:

B. Waiver of Premium

Waive additional premium of \$15 or less.

11. RETURN PREMIUM CHANGES

The following item is hereby replaced:

B. Waiver of Premium

Waive return premium of \$15 or less.**

** Any return premium due the insured must be granted if the insured requests it.

**COMMERCIAL LINES MANUAL
DIVISION EIGHT – INLAND MARINE
PREFERRED CLUB
COUNTRYWIDE EXCEPTION PAGES**

SECTION II - ACCOUNTS RECEIVABLE

36. PREMIUM DETERMINATION

The following replaces Table 36.A.4.(LC):

Minimum Modified Base Rate
\$0.03

Table 36.A.4.(LC) Minimum Modified Base Rate

38. MINIMUM PREMIUM

The following replaces Table 38.(LC):

Reporting Minimum Premium
\$ 500

Table 38.(LC) Reporting Minimum Premium

**COMMERCIAL LINES MANUAL
DIVISION EIGHT – INLAND MARINE
PREFERRED CLUB
COUNTRYWIDE EXCEPTION PAGES**

SECTION XIII - VALUABLE PAPERS

174. DEFINITION

The following replaces Table 174.A.(LC):

Minimum Loading
\$0.050

Table 174.A.(LC) Valuable Papers and Records Minimum Loading



**COMMERCIAL LINES MANUAL
DIVISION EIGHT – INLAND MARINE
PREFERRED CLUB
COUNTRYWIDE EXCEPTION PAGES**

ADDITIONAL RULES – NON FILED INLAND MARINE

The following rates are not subject to a Loss Cost Multiplier (LCM) or Individual Risk Premium Modification (IRPM)

CARTS AND EQUIPMENT

Scheduled Equipment rate: \$0.15

Unscheduled Equipment Rate: \$0.175 (note: unscheduled equipment means miscellaneous tools and equipment)

FINE ARTS

Scheduled Rate: \$0.30

Use form IH 00 74

MUST include form IH 99 06 – the Fine Arts Schedule as the Fine Arts form only provides coverage for the Fine Arts listed on the schedule. There is NO OPTION for blanket coverage. Each piece must be scheduled with a value provided. Cannot include coins, currency and stamps or jewelry, stones and metals.

**COMMERCIAL LINES MANUAL
DIVISION EIGHT – INLAND MARINE
PREFERRED CLUB
LOSS COST MULTIPLIER / EXPECTED LOSS RATIO
EXCEPTION PAGE**

LOSS COST MULTIPLERS

To convert the applicable loss costs to rates, multiply the loss costs by the Loss Cost Multiplier

Loss Cost Multiplier: 1.655

EXPECTED LOSS RATIO

The Expected Loss Ratio is as follows

Expected Loss Ratio: 0.549

State:	District of Columbia	Filing Company:	Fireman's Fund Insurance Company
TOI/Sub-TOI:	09.0 Inland Marine/09.0005 Other Commercial Inland Marine		
Product Name:	Preferred Club Program - Commercial Inland Marine		
Project Name/Number:	Preferred Club/NDCCM0318R		

Supporting Document Schedules

Satisfied - Item:	Consulting Authorization
Comments:	
Attachment(s):	Allianz Filing Authorization Letter 4-4-18.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Certification (P&C)
Comments:	
Attachment(s):	Allianz Actuarial Memorandum - CIM.pdf
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	N/A New Program
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Comments:	
Attachment(s):	Allianz Expense Exhibit 2018 - CIM (Group 3).pdf
Item Status:	
Status Date:	

Satisfied - Item:	Adoption of Rating Organization Prospective Loss Costs Adoption Forms
Comments:	
Attachment(s):	DC F798DC Adoption of LC Ref Filing Adoption Form.pdf DC F799DC_060108 Adoption of LC Calc of Co LCM wo Exp Constant.pdf
Item Status:	
Status Date:	

Allianz Global Corporate & Specialty®

Wednesday, April 04, 2018

RE: Filing Authorization Letter
Fireman's Fund Ins. Co.
NAIC #: 21873 / FEIN: 94-1610280
Rate, Rule, and Form Filings

To Whom It May Concern:

Please accept this filing authorization letter as certification that we hereby authorize Martin & Company to submit rate, rule, and form filings on behalf of Fireman's Fund Ins Co. With respect to these filings, this authorization includes responding to interrogatories and supplying additional information on our behalf as required. This authorization will remain in force and effect until withdrawn in writing.

All correspondence and inquiries related to filings under this authorization should be directed to the following:

**Martin & Company**

YOUR INSURANCE SOLUTIONS PARTNER®

ATTN: Compliance Division

P.O. Box 70

Edgemont, PA 19028-0070

Phone: (800) 896-8000

Fax: (610) 325-4405

Should you have any questions or require additional information regarding this authorization, please feel free to contact me.

Sincerely,



Vinko Markovina
Global Head of MidCorp
Phone: 646-472-1441
E-mail: vmarkovina@aic-allianz.com

**Fireman's Fund Insurance Company
Commercial Inland Marine
Preferred Club Program**

ACTUARIAL MEMORANDUM

Fireman's Fund Insurance Company ("the company") is submitting this new program filing for Inland Marine coverage for their Preferred Club Program on a countrywide basis. This program will utilize current Insurance Services Office (ISO) rules, rating plans, and loss costs in conjunction with the attached Loss Cost Multiplier and state exception pages.

The LCM is developed in the attached Expense Exhibit. The expense provisions are based on Inland Marine experience from the latest three Insurance Expense Exhibits (2014-16). The Permissible Loss and LAE Ratio (PLR) includes a profit and contingencies provision offset by investment income, as outlined in the Investment Income Exhibit. This offset is based on the California Prior Approval Rate Application methodology and is calculated using a combination of Annual Statement figures, industry payment patterns, and currently available yield curves by asset class, as noted on Pages 1-4.

**Fireman's Fund Insurance Company
Commercial Inland Marine
Preferred Club Program**

STATEMENT OF ACTUARIAL OPINION

I, Brian M. Fernandes, am an Associate of the Casualty Actuarial Society and a member of the American Academy of Actuaries. I am a member in good standing with both organizations and meet the Qualification Standards of the American Academy of Actuaries to render the Actuarial Opinion presented herein.

I attest that to the best of my knowledge and judgment the filing submission is in compliance with the applicable laws and regulations of this state, the benefits are reasonable in relation to the premiums, and these rates are not excessive, inadequate, or unfairly discriminatory. Additionally, I believe that the information contained in this actuarial memorandum along with the remaining documents submitted as part of this filing contain information and documentation sufficient for an actuary practicing in the same field to evaluate the filing.

This Statement of Opinion is solely for the use of, and only to be relied upon by, Fireman's Fund Insurance Company and the state's insurance department in its evaluation of the rate filing enclosed.



Brian M. Fernandes, ACAS, MAAA
Associate Actuary
Martin & Company

March 23, 2018

Fireman's Fund Insurance Company
Commercial Inland Marine
Countrywide
Development of Expense Provisions and Permissible Loss Ratio

Golf Program

		Direct Data (\$000's)					
			<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>3-Year</u>	
A.	CW Written Premium	IEE	172,604	137,159	475,348	785,111	ASLOB 9.0
B.	CW Earned Premium	IEE	172,244	159,536	547,903	879,683	ASLOB 9.0
C.	Commission & Brokerage Fees	IEE	38,478	34,209	91,786	164,473	ASLOB 9.0
D.	Other Acquisition Expense	IEE	8,708	6,168	10,212	25,088	ASLOB 9.0
E.	General Expense	IEE	20,318	14,391	18,715	53,424	ASLOB 9.0
F.	<u>Taxes, Licenses, and Fees</u>	IEE	<u>4,064</u>	<u>3,625</u>	<u>9,386</u>	<u>17,075</u>	ASLOB 9.0
G.	Total Expenses	= $\Sigma(C.-F.)$	71,568	58,393	130,099	260,060	
H.	Commission & Brokerage Fees	= $C. / A.$	22.3%	24.9%	19.3%	20.9%	<u>25.0%</u> *
I.	<u>Other Acquisition Expense</u>	= $D. / A.$	5.0%	4.5%	2.1%	3.2%	<u>3.2%</u>
J.	Total Production Expense	= $H. + I.$	27.3%	29.4%	21.5%	24.1%	28.2%
K.	General Expense	= $E. / B.$	11.8%	9.0%	3.4%	6.1%	<u>6.1%</u>
L.	Taxes, Licenses and Fees	= $F. / A.$	2.4%	2.6%	2.0%	2.2%	<u>2.2%</u>
M.	Expense Provision	= $J. + K. + L.$	41.5%	41.1%	26.8%	32.4%	36.4%
N.	Pre-Tax Profit Target	Selected					5.5%
O.	<u>Investment Income Offset</u>	= $-(\text{Investment Income Exhibit, Page 1, G.3})$					<u>-2.4%</u>
P.	Pre-Tax Underwriting Profit Provision	= $N. + O.$					3.1%
Q.	Permissible Loss and LAE Ratio	= $1 - M. - P.$					60.4%
R.	Loss Cost Modification						<u>1.000</u>
S.	Loss Cost Multiplier	= $R. / Q.$					1.655

* Program-specific commission and brokerage applies.

Fireman's Fund Insurance Company
Commercial Inland Marine
Countrywide
Estimated Investment Income

A.	A1. Direct Earned Premium for Calendar Year 2016	547,903,000	2016 A.S. p 19GT
	A2. Federal Income Tax Rate	21.00%	IRS's top marginal corporate rate
B.	Unearned Premium Reserve		
	B1. Unearned Premium Reserve		
	a @ Year-End 2016	190,549,000	2016 A.S. p 19GT
	b @ Year-End 2015	261,469,590	2015 A.S. p 19GT
	c Mean Unearned Premium Reserve during 2016	226,009,295	= (a + b)/2
	B2. Deduction for Prepaid Expenses		
	a Commission and Brokerage	25.00%	= Sh 1, H.
	b Taxes, Licenses and Fees	2.17%	= Sh 1, L.
	c 50% of Other Acquisition Expenses	1.60%	= (Sh 1, I.)/2
	d 50% of General Expenses	3.04%	= (Sh 1, K.)/2
	e Total	31.81%	= a + b + c + d
	B3. Unearned Premium Reserve Subject to Investment	154,117,691	= B1.c * (1-B2.e)
C.	Delayed Remission of Premiums (Agents' Balances)		
	C1. Direct Written Premium for Calendar Year 2016 - All Lines	2,857,768,000	2016 A.S. p 19GT
	C2. Net Agents' Balances @ Year-End 2016	462,019,296	2016 A.S. p 2
	C3. Net Agents' Balances @ Year-End 2015	83,358,004	2016 A.S. p 2
	C4. Average Agents' Balances Ratio to Written Premium	0.095	= [(C2.+C3.)/2]/C1.
	C5. Deduction for Delayed Remission of Premium	52,280,986	= C4.* A1.
D.	Loss and LAE Reserve		
	D1. Expected Loss and LAE Ratio	60.42%	= Expense Exhibit, Q.
	D2. Expected Incurred Loss & LAE	331,059,215	= D1.* A1.
	D3. Average Duration of Loss & LAE Reserves	1.097	= Page 2, (m)
	D4. Expected Loss & LAE Reserves	363,191,303	= D2.* D3.
E.	Reserve Funds Subject to Investment	465,028,008	= B3.- C5. + D4.
F.	Expected Rate of Return on Invested Assets - After FIT	2.23%	= Page 3, (h)
G.	G1. Investment Earnings on Reserve Funds - After FIT	10,347,843	= E. * F.
	G2. Investment Earnings on Reserve Funds as a % of Premium - After FIT	1.89%	= G1. / A1.
	G3. Investment Earnings on Reserve Funds as a % of Premium - Before FIT	2.39%	= G2. / (1-A2.)
H.	Operating Ratio - After FIT	4.36%	= G2.+ [Expense Exhibit, P.] * (1-A2.)
I.	Premium to Surplus Ratio	2.74	=Page 4, [16] Total
J.	J1. Surplus Funds Subject to Investment	200,175,866	= A1. / I.
	J2. Investment Earnings on Surplus - After FIT	4,454,331	= J1. * F.
	J3. Investment Earnings on Surplus as a % of Premium - After FIT	0.81%	= J2. / A1.
	J4. Investment Earnings on Surplus as a % of Premium - Before FIT	1.03%	= J3. / (1 - A2.)
K.	K1. Target Total Return as a % of Surplus - After FIT	14.17%	= (H. + J3.) * I.
	K2. Target Total Return as a % of Premium - After FIT	5.18%	= K1. / I.
	K3. Target Total Return as a % of Premium - Before FIT	6.55%	= K2. / (1 - A2.)
L.	L1. Target Underwriting Profit as a % of Premium - After FIT	2.48%	= K2. - G2. - J3.
	L2. Target Underwriting Profit as a % of Premium - Before FIT	3.13%	= L1. / (1 - A2.)

Fireman's Fund Insurance Company
Commercial Inland Marine
Countrywide
Average Duration of Loss & LAE Reserves

This Exhibit is patterned after Rev. Proc. 2016-58 in Internal Revenue Bulletin 2016-51 for computing discounted unpaid losses under § 846 of the Internal Revenue Code. Note that if (a) were replaced with the interest rate under § 846(c) for 2016, which is 1.56%, then (i) would replicate the actual discount factors published in IRB 2016-51 except for Year 0, which the Bulletin does not show.

(a)		Applicable interest rate		2.76% = Page 3, (f)				
	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
		Estimated	Estimated	Unpaid		Single		Calculated
		Cumulative	Losses Paid	Losses at		Payment		Discount
	Tax Year	Losses Paid	Each Year	Year End	Payment Lag	Discount Factors	Year	Discount Factors
		0.0000%	0.0000%	100.0000%			0	97.0646%
	2016	55.6145%	55.6145%	44.3855%	0.5	98.6487%	1	97.7026%
	2017	89.3328%	33.7183%	10.6672%	1.5	96.0005%	2	97.3246%
	2018	94.6664%	5.3336%	5.3336%	2.5	93.4235%	3	98.6487%
	2019	100.0000%	5.3336%	0.0000%	3.5	90.9156%	4	
	2020	100.0000%	0.0000%	0.0000%	4.5	88.4750%	5	
	2021	100.0000%	0.0000%	0.0000%	5.5	86.1000%	6	
	2022	100.0000%	0.0000%	0.0000%	6.5	83.7887%	7	
	2023	100.0000%	0.0000%	0.0000%	7.5	81.5395%	8	
	2024	100.0000%	0.0000%	0.0000%	8.5	79.3506%	9	
	2025	100.0000%	0.0000%	0.0000%	9.5	77.2205%	10	
	2026	100.0000%	0.0000%	0.0000%	10.5	75.1476%	11	
	2027	100.0000%	0.0000%	0.0000%	11.5	73.1303%	12	
	2028	100.0000%	0.0000%	0.0000%	12.5	71.1672%	13	
	2029	100.0000%	0.0000%	0.0000%	13.5	69.2568%	14	
	2030	100.0000%	0.0000%	0.0000%	14.5	67.3976%	15	
	2031	100.0000%	0.0000%	0.0000%	15.5	65.5884%	16	
	2032	100.0000%	0.0000%	0.0000%	16.5	63.8277%	17	
	2033	100.0000%	0.0000%	0.0000%	17.5	62.1143%	18	
	2034	100.0000%	0.0000%	0.0000%	18.5	60.4469%	19	
	2035	100.0000%	0.0000%	0.0000%	19.5	58.8243%	20	
	2036	100.0000%	0.0000%	0.0000%	20.5	57.2452%	21	
	2037	100.0000%	0.0000%	0.0000%	21.5	55.7085%	22	
	2038	100.0000%	0.0000%	0.0000%	22.5	54.2130%	23	
	2039	100.0000%	0.0000%	0.0000%	23.5	52.7577%	24	
	2040	100.0000%	0.0000%	0.0000%	24.5	51.3415%	25	
	2041	100.0000%	0.0000%	0.0000%	25.5	49.9633%	26	
	2042	100.0000%	0.0000%	0.0000%	26.5	48.6220%	27	
	2043	100.0000%	0.0000%		27.5	47.3168%	28	
(j)	Average Reserve:Incurred Ratio (%)				1.104 = Sumproduct of (d) & (f)			
(k)	Estimated Reserve Discount				2.94% = 1 - [(i) for Year 0]			
(l)	Federal Income Taxes Payable				0.62% = (k) * 21%			
(m)	Average Duration of Loss & LAE Reserves				1.097 = (j) * [1 - (l)]			

Notes:

- (b) Tax Year when Discount Factor in (i) is applicable to Accident Year 2016 Reserves
- (c) Cumulative payment pattern in IRB 2016-58 for Commercial Inland Marine; cumulative sum of (d)
- (d) Incremental payment pattern in IRB 2016-58 for Commercial Inland Marine, with terminal increment repeated until
- (e) = 100% - (c)
- (f) Assumes mid-year payment for increment in (d).
- (g) = [1 + (a)]^-(f)
- (h) = Age of Accident Year when Discount Factor in (i) is applicable
- (i) = {Sumproduct of [(d); starting one row below, extending to terminal tax year] & [(g); starting Payment Lag 0.5, extending

Fireman's Fund Insurance Company
All Lines
Countrywide
Projected After Tax Yield

	(a)	(b)	(c)	(d)	(e)
	Invested Assets	Currently Available Yield	Return on Invested Assets	Federal Income Tax Rate	Federal Income Tax Payable
Bonds - Taxable	4,395,926,739	2.86%	125,710,281	21.00%	26,399,159
Bonds - Non-Taxable	709,869,803	2.32%	16,468,982	5.25%	864,622
Bonds	5,105,796,542	2.78%	142,179,263	19.18%	27,263,781
Common Stocks (Unaffiliated)	5,650,160				
Common Stocks Dividends		2.18%	123,173	13.13%	16,167
Common Stocks Capital Gains		7.84%	442,973	21.00%	93,024
Preferred Stocks	0	0.00%	0	0.00%	0
Stocks	5,650,160	10.02%	566,146	19.29%	109,191
Cash (Including Real Estate)	546,109,590	3.25%	17,769,400	21.00%	3,731,574
Receivables	0	0.00%	2,501,323	21.00%	525,278
Less: Investment Expenses			6,954,279	21.00%	1,460,399
Total Income Producing Invested Assets	5,657,556,292		156,061,853		30,169,425
Stocks of Affiliates	0				
Total Balance Sheet Invested Assets	5,657,556,292				
(f) Projected Yield on Invested Assets		2.76%			
(g) Federal Income Tax Rate on Invested Assets		19.33%			
(h) Projected After Tax Yield		2.23%			

Notes:

- (a) From 2016 Annual Statement Schedule D and "Assets" (Page 2).
- (b) Currently available yields by asset class as of January 2018.
- (c) = (a) * (b); Investment Expenses from 2016 Annual Statement "Underwriting & Investment Exhibit" (Page 11).
- (d) Per Internal Revenue Service.
- (e) = (c) * (d)
- (f) = [(c) Total] / [(a) Total]
- (g) = [(e) Total] / [(c) Total]

**Fireman's Fund Insurance Company
 Countrywide**
**Support for Premium to Surplus Ratios
 This calculation allocates Policyholders Surplus by Reserves and Earned Premium**

2015 Allocated Policyholders Surplus								
[1a]	[1b]	[2]	[3]	[4]	[4b]	[5]	[6]	[7]
Line Number	Line Name	U/E Prem	Unpaid Loss	Unpaid LAE	Earned Premium	Total Reserves+EP [2]+[3]+[4]+[4b]	% of Col [5] / Total Col[5]	Surplus By Line Col [6] * Total Col[7]
9	Inland Marine	261,470	252,549	28,996	627,306	1,170,321	13.94%	259,511
35	Total (Lines 1 through 34)	752,838	4,887,642	711,194	2,046,160	8,397,834	100.00%	259,511

Total 2015 PH Surplus 1,862,164

2016 Allocated Policyholders Surplus								
[1a]	[1b]	[8]	[9]	[10]	[10b]	[11]	[12]	[13]
Line Number	Line Name	U/E Prem	Unpaid Losses	Unpaid LAE	Earned Premium	Total Reserves [8]+[9]+[10]+[10b]	% of Col [11] / Total Col[11]	Surplus By Line Col [12] * Total Col[13]
9	Inland Marine	190,549	314,145	21,795	547,903	1,074,392	8.79%	169,851
35	Total (Lines 1 through 34)	1,185,748	6,994,586	954,695	3,084,896	12,219,925	100.00%	169,851

Total 2016 PH Surplus 1,931,848

[14]	[15]	[16]
2-Yr Avg Surplus {[7]+[13]}/2	2-Yr Avg Direct Earned Premium	Calculated Prem to Surplus Factor [15]/[14]
214,681	587,605	2.74

Notes:

All numbers are in \$000's

Columns (2),(3),(4),(4b),(8),(9),(10), and (10b) come from Insurance Expense Exhibit (Direct Business Written)

Space Reserved for Insurance
Administrative Use

Date: 5/4/2018

**DISTRICT OF COLUMBIA
INSURER RATE FILING
ADOPTION OF RATING ORGANIZATION
PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME Fireman's Fund Insurance Company
ADDRESS 225 W. Washington Street, Suite 1800
Chicago, IL 60606

PERSON RESPONSIBLE FOR FILING Lorna Williams (Martin & Company)
TITLE State Filing Analyst TELEPHONE # 610-325-4455

2. INSURER NAIC # 21873
3. LINE OF INSURANCE Commercial Inland Marine
4. RATING ORGANIZATION NAME Insurance Services Office (ISO)
5. RATING ORGANIZATION REFERENCE FILING # All ISO Commercial Inland Marine Rules, Loss Costs & ELPs in effect

6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rating organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.

The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

7. PROPOSED RATE LEVEL CHANGE 0-New Program % EFFECTIVE DATE Upon Approval
8. PRIOR RATE LEVEL CHANGE NA-New Program % EFFECTIVE DATE NA

9. ATTACH "CALCULATION OF COMPANY LOSS COST MULTIPLIER" FORM
(With or without expense constraints as appropriate. Use a separate Form for each insurer-selected loss cost multiplier.)
☐ "EXPENSE INFORMATION WORKSHEET"
☐ "DISTRICT OF COLUMBIA INVESTMENT INCOME WORKSHEETS"
☐ "MOTOR VEHICLE RATE AND RULE FILING CERTIFICATION" and
☐ "PREMIUM SURVEY FORM" (For Commercial and Personal Auto filings only.)

10. CHECK ONE OF THE FOLLOWING:

☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until disapproved by the Superintendent of Insurance, or amended or withdrawn by the insurer.

☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating Organization Reference Filing.

Insurer Name: Fireman's Fund Insurance Company
NAIC Number: 21873

Date: 5/4/2018

District of Columbia
Calculation of Company Loss Cost Multiplier
Without Expense Constant
To Accompany Adoption of Rating Organization Prospective Loss Costs

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Commercial Inland Marine

2. Loss Cost Modification:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)

☒ without modification (factor = 1.000).

☐ with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

B. Loss Cost Modifier Expressed as a Factor:

1.000

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	<u>25.0</u>
B. Other Acquisition Expense (+)	<u>3.2</u>
C. General Expense (+)	<u>6.1</u>
D. Taxes, Licenses, and Fees (+)	<u>2.2</u>
E. Underwriting Profit and Contingencies (+)	<u>5.5</u>
F. Investment Income Offset (-)	<u>-2.4</u>
G. Other (explain) (+)	<u></u>
H. TOTAL	<u>39.6</u>

4. Expected Loss Ratio (ELR):

A. ELR (100% - 3H) = 60.4

B. ELR in decimal form = 0.604

5. Company Calculated Loss Cost Multiplier (2B / 4B):

1.655

6. Company Selected Loss Cost Multiplier:

1.655

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

7. Rate Level Change for the Coverage to Which this Form Applies:

A. Change in Loss Cost Expressed as a Factor = .00

B. Change in Multiplier Expressed as a Factor = .00

C. Overall Rate Change $[(7A \times 7B) - 1] \times 100 =$ 0%